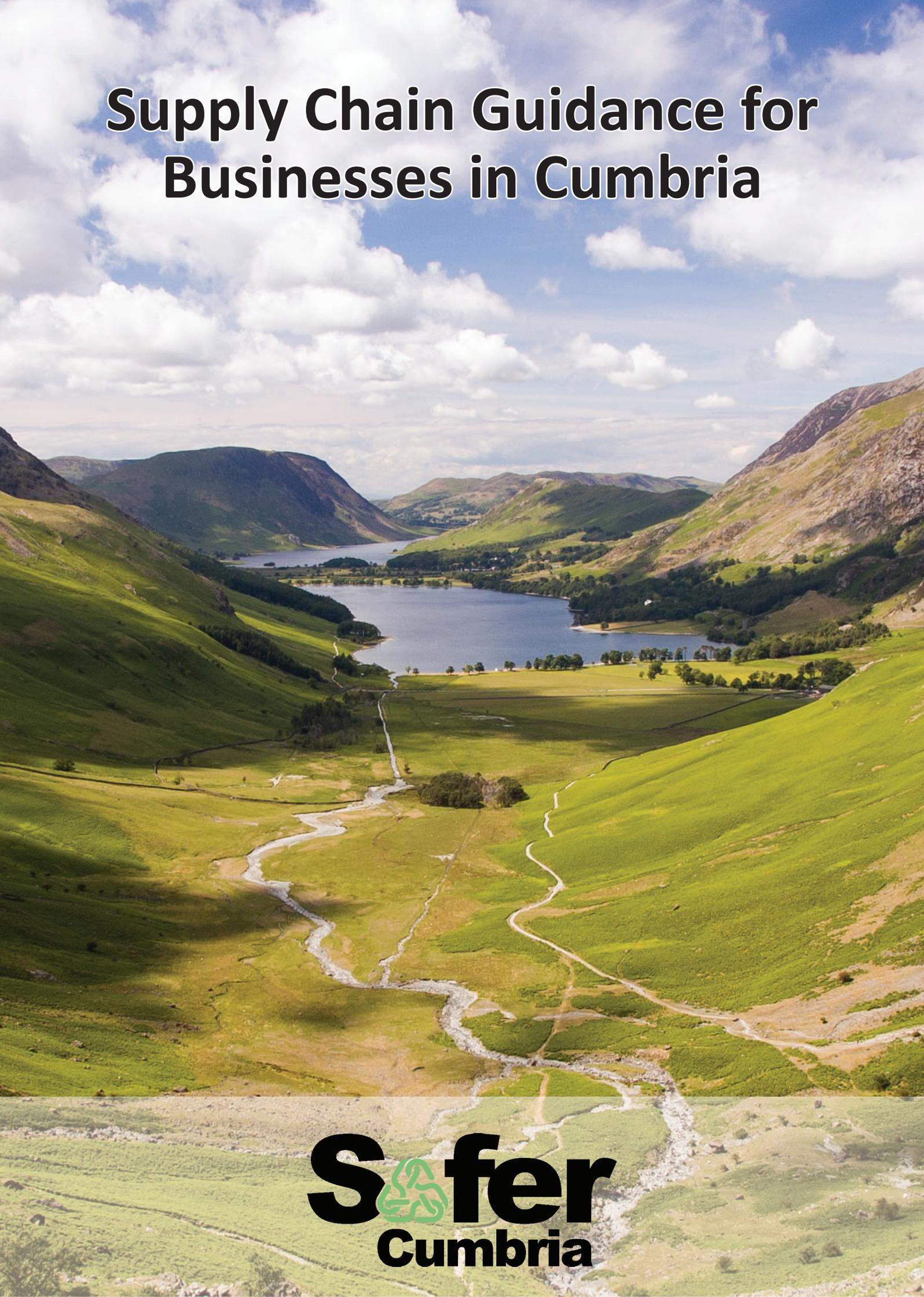


# Supply Chain Guidance for Businesses in Cumbria



**S**  **fer**  
**Cumbria**

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# Introduction

Cumbria is a place many enjoy visiting and living in due to having the wild and rugged landscape of the Lake District. Cumbria is a vast county with our towns spread far apart. We have many villages, and lots of rural communities, some close to amenities and some isolated.

We want everyone across Cumbria to know how to recognise Modern Slavery and Human Trafficking and have the confidence to report it, to ensure the victims are properly supported and criminals are brought to justice.

Safer Cumbria have created this guidance document to give you an overview of Supply Chain requirements, there is further information available online. Website information is available at the end of this guidance document.

“We are delighted to see the work Safer Cumbria have done to raise awareness of modern slavery locally with businesses, and highlight the steps all businesses can take to reduce those risks. We hope organisations across Cumbria use this booklet and utilise the free practical resources available to download on our website” [www.stronger2gether.org](http://www.stronger2gether.org)

David Camp, Stronger  
Together Founder



# What is Modern Slavery?

Modern Slavery is a crime and encompasses slavery, human trafficking, forced labour and domestic servitude. Traffickers and slave masters use whatever means they have to coerce, deceive and force individuals into a life of abuse, servitude and inhumane treatment.

A person commits an offence if:

- The person holds another person in slavery or servitude and the circumstances are such that the person knows or ought to know that the other person is held in slavery or servitude, or
- The person requires another person to perform forced or compulsory labour and the circumstances are such that the person knows or ought to know that the other person is being required to perform forced or compulsory labour.

There are many different characteristics that distinguish slavery from other human rights violations, however, only one needs to be present for slavery to exist. Someone is in slavery if they are:

- Forced to work – through mental or physical threat.
- Owned or controlled by an “employer”, usually through mental or physical abuse or the threat of abuse;
- Dehumanised, treated as a commodity or bought and sold as “property”.
- Physically constrained or has restrictions placed on his/her freedom of movement and
- Human Trafficked.



Contemporary slavery takes various forms and affects people of all ages, gender and races. Adults who are enslaved are not always subject to human trafficking. Recent court cases have found homeless adults, promised paid work opportunities enslaved and forced to work and live in dehumanised conditions, and adults with learning difficulties restricted in their movements and threatened to hand over their finances and work for no gains.

Human trafficking is the movement of a person from one place to another using methods of deception, coercion, the abuse of power or of someone's vulnerability and for the purposes of exploitation. It is possible to be a victim of trafficking even if their consent has been given to being moved. Human trafficking may occur across international borders or take place within one country.

From the 1st November 2015, specified public authorities have a duty to notify the Secretary of State any individual identified in England and Wales as a suspected victim of slavery or human trafficking, under section 52 Modern Slavery Act 2015.

## There are three components to Human Trafficking:



### **The Act (or action)**

Recruitment, transfer, transportation, harbouring or receipt of persons;

## This is achieved by:



### **The Means**

Threat or use of force, coercion, abduction, fraud, deception, abuse of power or position of vulnerability, giving or receiving of payments or benefits used to control a person.



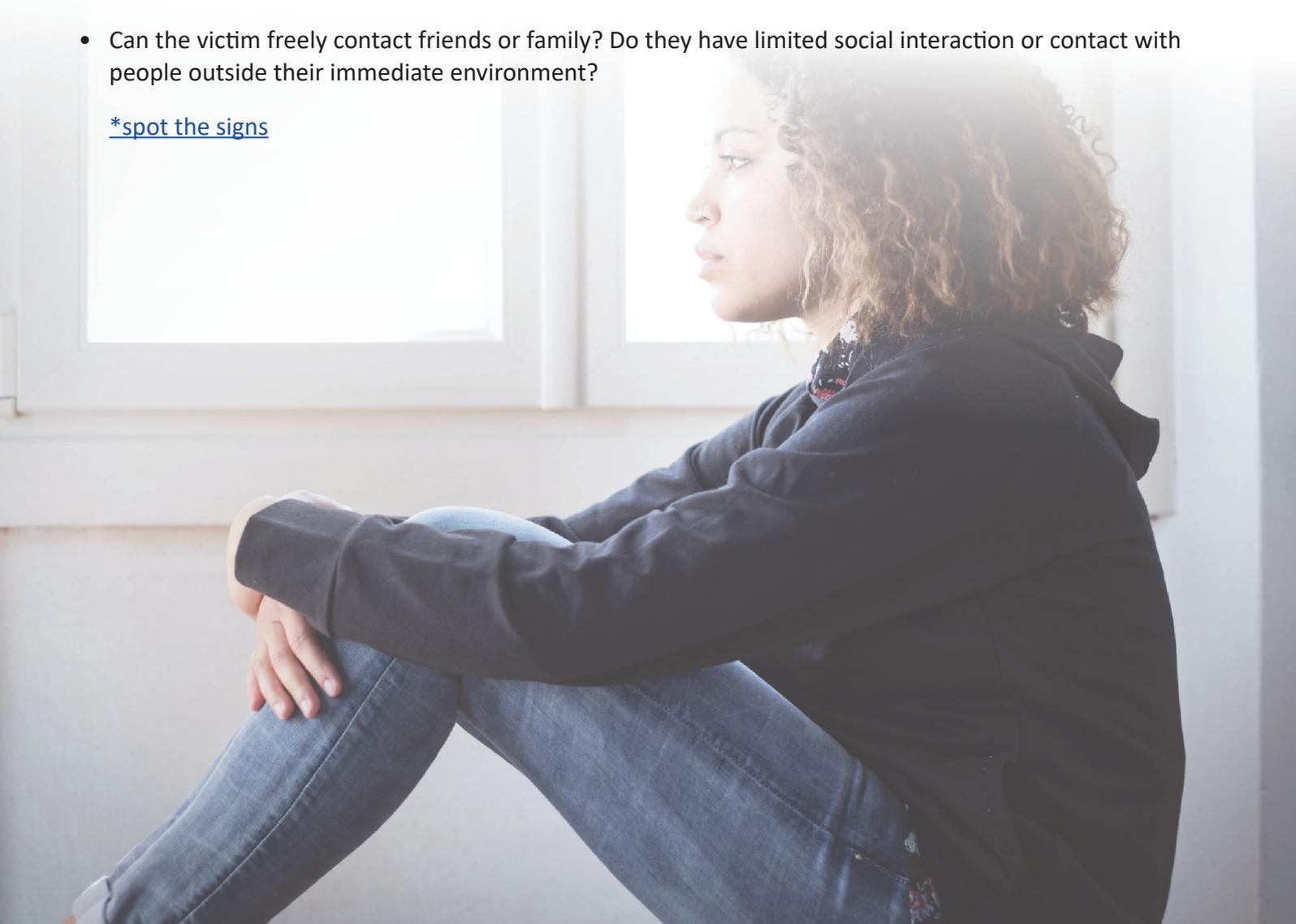
### **The Purpose (exploitation)**

To exploit a person through prostitution, other forms of sexual exploitation, forced labour or services, forced criminality, slavery, servitude or removal of organs from a person.

# Identifying victims\*

- Is the victim in possession of a passport, identification or travel document? Are these documents in the possession of someone else?
- Does the victim act as if they were instructed or coached by someone else? Do they allow others to speak for them when spoken to directly?
- Was the victim recruited for one purpose and forced to engage in some other job?
- Was their transport paid for by facilitators, whom they must pay back through providing services?
- Does the victim receive little or no payment for their work? Is someone else in control of his or her earnings?
- Was the victim forced to perform sexual acts?
- Does the victim have freedom of movement?
- Has the victim or family been threatened with harm if the victim attempts to escape?
- Is the victim under the impression they are bonded by debt, or in situation of dependence?
- Has the victim been harmed or deprived of food, water, sleep, medical care or other life necessities?
- Can the victim freely contact friends or family? Do they have limited social interaction or contact with people outside their immediate environment?

[\\*spot the signs](#)



# Foreword

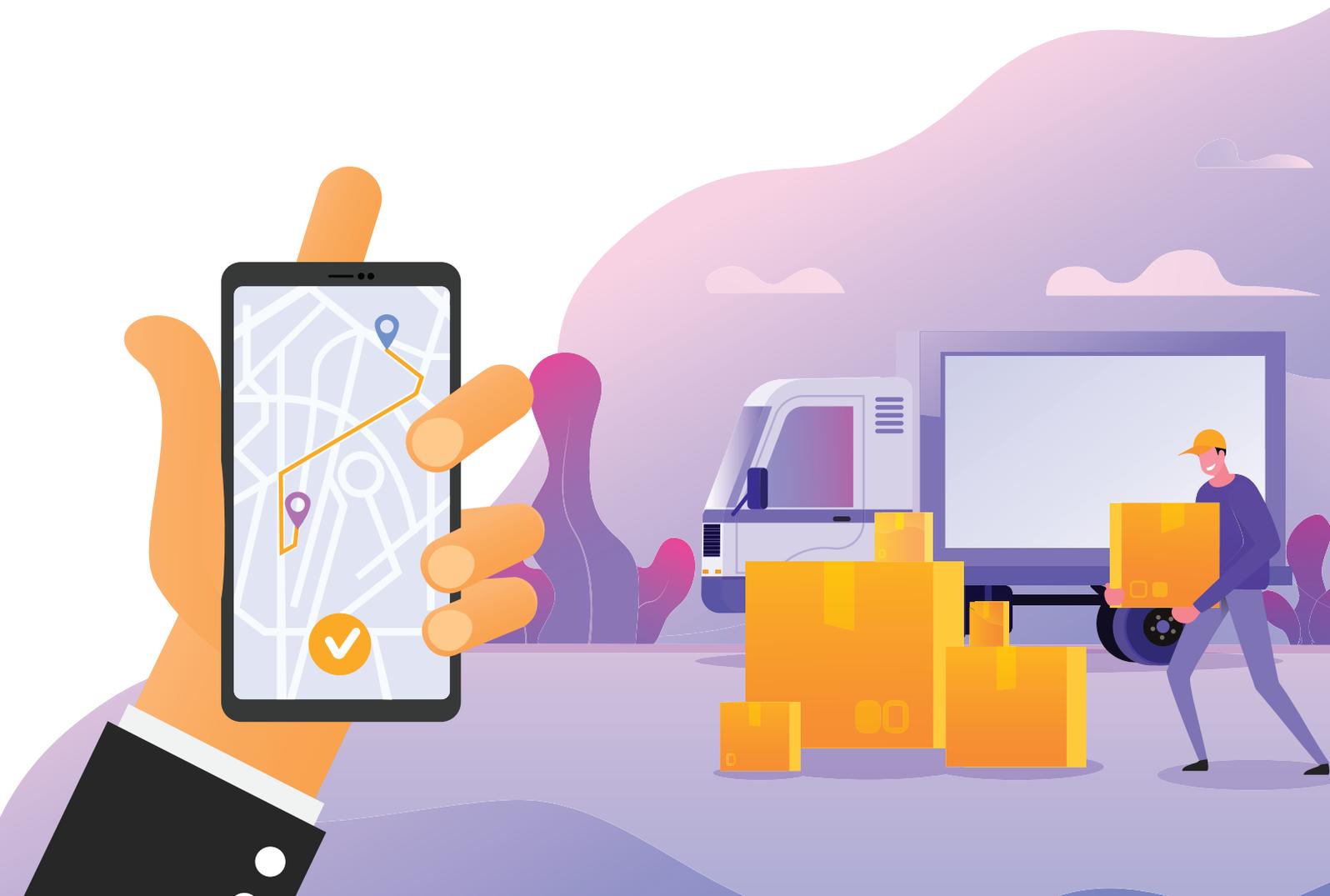
Section 54 of the Modern Slavery Act 2015 requires certain organisations to develop a slavery and human trafficking statement each year. The slavery and human trafficking statement should set out what steps organisations have taken to ensure modern slavery is not taking place in their business or supply chains.

Modern Slavery is a crime resulting in an abhorrent abuse of human rights. It is constituted in the Modern Slavery Act 2015 by the offences of 'slavery, servitude and forced or compulsory labour' and 'human trafficking'.

The provision in the Act requires that any commercial organisation in any sector, which supplies goods or services and carries on a business or part of a business in the UK, and whose turnover is above £36 million, must produce a slavery and human trafficking statement for each financial year of the organisation. This does not mean that the organisation in question must guarantee that the entire supply chain is slavery free. Instead it means an organisation must set out the steps it has taken in relation to any part of the supply chain. (that is, it should capture all the actions it has taken).

The provision requires an organisation to be transparent about what is happening within its business. This means that if an organisation has taken no steps to ensure slavery and human trafficking is not taking place, they must still publish a statement stating this is to be the case.

The Government encourages all businesses to develop an appropriate and effective response to modern slavery. Businesses may choose to take further action over and above what is prescribed by this Act, but this will be a decision for individual businesses themselves.



# Failure to comply

If a business fails to produce a slavery and human trafficking statement for a particular financial year the Secretary of State may seek an injunction through the High Court, (Or, in Scotland civil proceedings for specific performance of a statutory duty under Section 45 of the Court of Session Act 1988) requiring the organisation to comply. If the organisation fails to comply with the injunction, they will be in contempt of a court order, which is punishable by an unlimited fine.



# Who is required to comply?

Any organisation in any part of a group structure will be required to comply with the provision and produce a statement if they:

- Are a body corporate or a partnership (described as an “organisation” in this document), wherever incorporated.
- Carry on a business or part of a business in the UK.
- Supply goods or services
- Have an annual turnover of £36m or more.

Total turnover is calculated as:

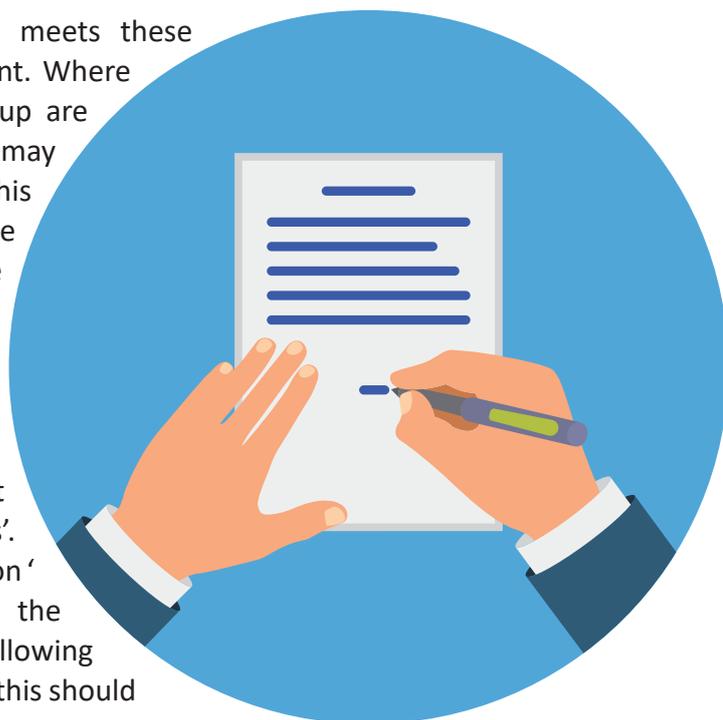
- a) The turnover of that organisation and
- b) The turnover of any of its subsidiary undertakings (including those operating wholly outside the UK).

“Turnover” means the amount derived from the provision of goods and services falling within the ordinary activities of the commercial organisation or subsidiary undertaking, after deduction of:

- Trade discounts
- Value added tax; and
- Any other taxes based on the amounts derived.

If any organisation in any part of a group structure meets these requirements, it is legally required to produce a statement. Where a parent and one or more subsidiaries in the same group are required to produce a statement, the parent may produce one statement that subsidiaries can use to meet this requirement (provided that the statement fully covers the steps that each of the organisations required to produce a statement have taken in the relevant financial year).

A ‘commercial organisation’ is defined as a body corporate or partnership which carries on a business, or part of a business, in the UK wherever the organisation was incorporated or formed. The key concept here is that of an organisation which ‘carries on a business’. The courts will be the final arbiters to whether an organisation ‘carries on a business’ in the UK taking into account the particular facts in individual cases. However, the following paragraphs set out the Government’s intention as to how this should work.



There are many ways in which corporate or a partnership in the UK can pursue business objectives. The Government expects that whether such a body or partnership can be said to be carrying on a business will be answered by applying a common-sense approach. So long as the organisation in question is incorporated (by whatever means) or is a partnership, it does not matter if it pursues primarily charitable or educational aims or purely public functions. The organisation will be caught if it engages in commercial activities and has a total turnover of £36m – irrespective of the purpose for which profits are made.

As regards bodies incorporated, or partnerships formed, outside the United Kingdom, whether such bodies can properly be regarded as carrying on a business or part of a business ‘in any part of the United Kingdom’ will again be answered by applying a common sense approach.

However, we anticipate that applying a common-sense approach will mean that organisations that do not have a demonstrable business presence in the United Kingdom will not be caught by the provision. Likewise, having a UK subsidiary will not, in itself, mean that parent company is carrying on a business in the UK, since a subsidiary may act completely independently of its parent or other group companies.

## **Smaller organisations**

Organisations which do not meet the requirements in the Act, for example by having a turnover below £36m, can still choose to voluntarily produce a ‘slavery and human trafficking statement’. Smaller organisations may be asked by those they are supplying goods or services to if they have a statement policy setting out their approach to tackling modern slavery, especially if they are bidding for contracts with larger businesses above the threshold. Therefore, smaller organisations may find it helpful to voluntarily produce a statement as a means of managing these requests and providing a level of assurance to their customers. Even if the legislation does not apply, we would encourage all businesses to be open and transparent about their recruitment practices, policies and procedures in relation to modern slavery and to take steps that are consistent and proportionate with their sector, size and operational reach.



# Writing a slavery and human trafficking statement



The slavery and human trafficking statement will be a public-facing document. To aid transparency the statement should be written in simple language that is easily understood (the [Plain English Campaign](#) is well placed to assist with this). The statement can be succinct but cover all the relevant points and provide appropriate links to relevant publications, documents or policies for the organisation.

The Government has not been prescriptive about the layout or specific content of a slavery and human trafficking statement. It is up to organisations how they present information in the statement and how much detail they provide. However, organisations must include in the statement all the steps they have taken. The information presented in the statement will be determined by the organisation's sector, the complexity of its structure and supply chains, or the particular sectors its suppliers are working in.

## Top Tips

- Keep the statement succinct but cover all the relevant points – if you can provide appropriate links to relevant publications, documents or policies for your organisation, do so.
- Writing the statement in simple language will ensure that it is easily accessible to everyone.
- The statement should be in English but may also be provided in other languages, relevant to the organisation's business and supply chains.
- Specify actions by specific country will help readers to understand the context of any actions or steps taken to minimise risk.

A statement must contain the steps an organisation has taken to prevent modern slavery in its supply chains and in its own business.

A statement should aim to include information about:

- a. The organisations structure, its business and its supply chains.
- b. Its policies in relation to slavery and human trafficking.
- c. Its due diligence processes in relation to slavery and human trafficking in its business and supply chains;
- d. The parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk;
- e. Its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate;
- f. The training and capacity building about slavery and human trafficking available to its staff.

The organisation should paint a detailed picture of all steps it has taken to address and remedy modern slavery, and the effectiveness of all such steps.

Organisations should be aware that their statement will be assessed by the public, investors, the media and other external parties. They will expect to see year-on-year improvements outlining practical progress on how they are tackling the risks and incidence of modern slavery in their operations and supply chains. Organisations are encouraged to be as open and transparent as possible, as this is likely to drive more honesty and collaboration between organisations in the knowledge that no single business can tackle the problem alone.

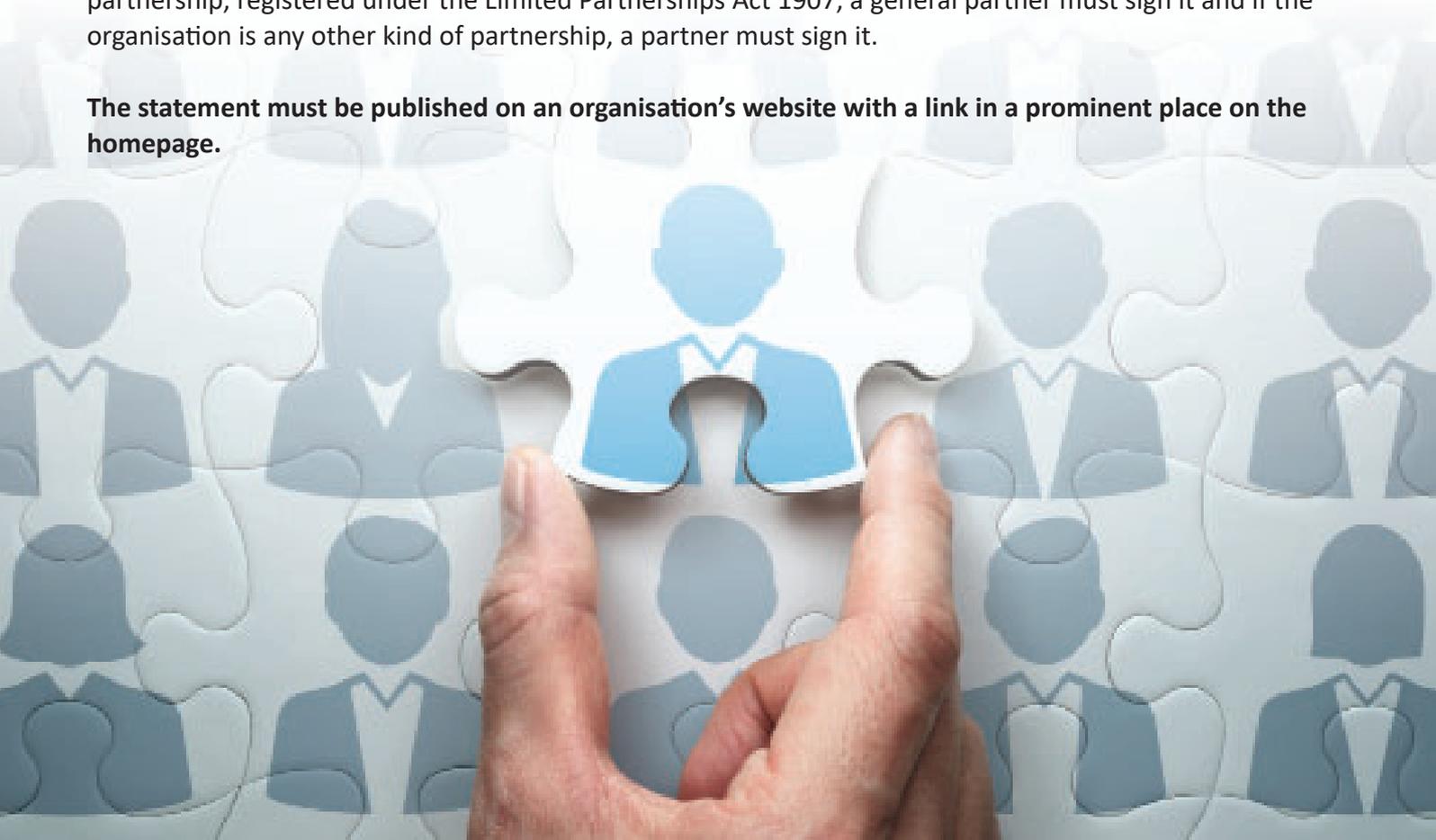
**The statement must be approved and signed by a director, member or partner of the organisation.**

The Modern Slavery Act requires a slavery and human trafficking statement to be approved and signed by an appropriate senior person in the business. This ensures senior level accountability, leadership and responsibility for modern slavery and gives it the serious attention it deserves. An organisation's top management will be best placed to foster a culture in which modern slavery is not tolerated in any form. They need to lead and drive the measures required to address this problem throughout the business.

To effectively combat modern slavery, senior management will need to ensure everyone in the organisation is alive to the risks of modern slavery. This is to ensure informed decisions are made in a timely way which mitigate and manage these risks, and to monitor the implementation of relevant policies. They will need to ensure credible evidence is used in identifying and reporting on human rights risks in supply chains as well as to remedy workers and rectify problems where appropriate.

The person who is required to sign the statement depends on the type of organisation. For a body (other than a limited liability partnership), the statement must be approved by the board of directors and signed by a director (or equivalent). Where this is the case, it is best practice for the director who signs the statement to also sit on the board that approved the statement. Where the organisation is a limited liability partnership it must be approved by the members and signed by a designated member. It is best practice for the statement to include the date on which the board or members approved the statement. For a limited partnership, registered under the Limited Partnerships Act 1907, a general partner must sign it and if the organisation is any other kind of partnership, a partner must sign it.

**The statement must be published on an organisation's website with a link in a prominent place on the homepage.**



Slavery in supply chains can take the form of:



### **State sponsored or controlled slavery**

e.g. forced prison labour or the annual mobilisation of child labour.



### **Employer controlled**

where an employer knowingly holds workers in a forced labour situation either by:

- applying conditions such as the retention of wages or excessive hours that create forced labour
- by outsourcing work to illegal sub-contractors
- engaging workers through a labour supplier at an exploitative price.



### **Gang controlled**

where criminal gangs exploit individuals and force them to work for legitimate employers and labour providers or rogue supervisors, consultants and workers control workers.



# Practical steps to tackle Modern Slavery in your organisation

Businesses who want to put in place good practice operational and management processes to deter hidden labour exploitation and / or to identify issues in their own organisation should undertake the steps outlined below:

- ➔ **Make a commitment on Modern Slavery** - Assign board level responsibility. Discuss what the company wants to achieve in preventing modern slavery.
- ➔ **Establish Good Management Systems** - Establish due diligence checks in the appointment of labour providers. Only contract formal labour providers with an identifiable legitimate business entity.
- ➔ **Train Staff and Suppliers** - Train relevant staff in how to implement your policies and identify forced labour. Train staff visiting suppliers to spot the signs that may indicate worker exploitation.
- ➔ **Establish good labour sourcing practices in your company and supply chains** - Develop a written policy that states the cost of recruitment is a business cost and that no cost of recruitment will be charged for workers.
- ➔ **Establish good recruitment practices** - Train recruiters in the organisation's processes to recognise, prevent and report forced labour, labour trafficking and other hidden third-party labour exploitation.
- ➔ **Put in place good record and checks for workers** - Establish checks of workers' addresses for high occupancy of a house. Check bank accounts to identify unrelated workers paid into one account.
- ➔ **Develop good workplace monitoring practices** - Supervisors are trained to monitor, record and report where workers' appearance may show signs of injury or malnourishment.
- ➔ **Create good workplace engagement practice** – Encourage supervisors and managers to talk informally to workers to understand whether any are experiencing issues.



# Manage the risk of Modern Slavery in business's suppliers

Businesses who want to manage the risk of modern slavery along their supply chains should consider the following steps. For a full set of actions to take at each step, please see the checklist below:

- ✔ Make a commitment on modern slavery – Assign board level responsibility. Discuss what the company wants to achieve in preventing modern slavery.
- ✔ Establish policies and procedures for suppliers to reduce the risk of Modern Slavery - Develop a written policy that states the cost of recruitment is a business cost and that no cost of recruitment will be charged for workers.
- ✔ Establish good management systems for your supply chain – Establish due diligence checks in the appointment of suppliers to establish their credibility, legitimacy and ability to manage labour rights.
- ✔ Assess where your company's greatest risks of slavery occur – Draw up initial high-level assessment of your supply chain, including direct and indirect suppliers, labour providers and contractors to identify low, medium and high-risk suppliers.
- ✔ Tackle the risks that you have identified – Based on your available resources take immediate steps to reduce the risk high risk suppliers.



# Further guidance

This guidance can be further developed by accessing the following resources available online:

[Home Office Guidance](#) on Transparency in Supply Chains and Writing a Modern Slavery Statement

Stronger Together Toolkits for tackling modern slavery in UK businesses and global supply chains – all accessible on [here](#).

- Tackling Modern Slavery in Business Toolkit
- Tackling Modern Slavery in Global Supply Chains
- Effective Communication with a Multi-Language Workforce

## Writing a Modern Slavery Statement

- [CORE Effective Reporting under the Modern Slavery Act: A civil society guide for commercial organisations on the transparency in supply chains clause](#)
- [Ergon report on company reporting under the Modern Slavery Act](#)

## Sources of Country and Industry Information regarding the risk of Modern Slavery

- [Danish Institute for Human Rights – Country Risk and Business Country Guide](#)
- [Freedom in the World Report, Freedom House](#)
- [International Trade Union Conference \(ITUC\) – WTO Reviews](#)
- [Transparency International Corruption Perception Index](#)
- [UNICEF & Global Child Forum – Children’s Rights and Business Atlas](#)
- [US Dept. of State Country Reports on Human Rights Practices](#)
- [US State Department Trafficking in Person’s report \(TIP\)](#)
- [Verité Forced Labour Commodity Atlas](#)
- [Walk Free Foundation’s Global Slavery Index](#)

